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TAGS: ECON, UR

SUBJ: PRAVDA LEADER ON SOVIET PRODUCTION ASSOCIATIONS

REF: A. MOSCOW A-335 (8/25/74); B. MOSCOW 13557 (9/6/74)

1. LEAD ARTICLE IN MAY 23 PRAVDA DEVOTED TO STATUS REPORT ON CREATION OF PRODUCTION ASSOCIATIONS, INAUGURATED BY MARCH 1973 CPSU CC AND COUNCIL OF MINISTERS DECREE. ARTICLE CONTAINS CERTAIN INTERESTING STATISTICS, SUCH AS ASSERTION THAT "AROUND" ONE QUARTER OF ALL SOVIET ENTERPRISES (PROVIDING ONE THIRD OF TOTAL INDUSTRIAL OUTPUT) WILL BE ORGANIZED INTO PRODUCTION ASSOCIATIONS BY END OF 1975. ARTICLE STATES THAT REDUCTION IN MANAGEMENT PERSONNEL IN OIL, GAS, AND COAL INDUSTRIES AS RESULT OF AMALGAMATION INDIVIDUAL ENTERPRISES INTO ASSOCIATIONS WILL AMOUNT TO 24 THOUSAND PERSONS. FINALLY, LEADER NOTES THAT MANY PRODUCTION ASSOCIATIONS DO NOT MEASURE UP IN SIZE TO GOALS ENVISAGED IN ORIGINAL CONCEPT. ABOUT 14 PERCENT OF ALL EXISTING ASSOCIATIONS HAVE LESS THAN 500 WORKERS EACH, A SITUATION WHICH "DOES NOT CORRESPOND TO CURRENT CRITERIA" REGARDING OPTIMUM SIZE FOR ASSOCIATIONS.

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2. ARTICLE NOTES THAT IN CERTAIN INDUSTRIAL MINISTRIES WORK IS

PROCEEDING SLOWLY ON DEVELOPMENT OF "GENERAL SCHEMES" FOR CREATION OF PRODUCTION ASSOCIATIONS. SINGLED OUT FOR CRITICISM IN THIS RESPECT ARE REPUBLICAN MINISTRIES OF MEAT AND DAIRY INDUSTRIES AND MINISTRIES OF CONSTRUCTION MATERIALS. THEIR DRAFT PLANS FOR CREATION OF ASSOCIATIONS HAVE ENVISAGED TOO MUCH "JURIDICAL INDEPENDENCE" FOR MANY SMALL FACTORIES. FURTHER, THESE MINISTRIES HAVE PROPOSED LEAVING MINISTERIAL MANAGEMENT UNITS--INCLUDING GLAVKS--INTACT, THUS IN ESSENCE MINIMIZING DISRUPTION FOR THESE PARTICULAR SECTORS IN ESTABLISHING PRODUCTION ASSOCIATIONS.

3. ARTICLE LEAVES NO DOUBT ABOUT DOMINANT PARTY ROLE IN SUPERVISING CREATION OF ASSOCIATIONS AND EMPHASIZES THAT ESTABLISHMENT OF NEW PRIMARY INDUSTRIAL UNITS IS "NOT A STANDARD CAMPAIGN" BUT RATHER IS ONE OF "MOST IMPORTANT ELEMENTS" IN GOVERNMENT POLICY FOR ACCELERATING ECONOMIC DEVELOPMENT. REGARDING ROLE OF PARTY COMMITTEES IN INDUSTRIAL MINISTRIES ON THIS ISSUE, PRAVDA ARTICLE EMPHASIZES THEIR "SPECIAL ROLE" IN ACHIEVING SUBSTANTIAL IMPROVEMENT IN ECONOMIC MANAGEMENT PROCESS.

4. COMMENT STATISTICS CITED IN ARTICLE PROVIDE INTERESTING INSIGHTS INTO SOVIET HOPES AND FRUSTRATIONS REGARDING PROGRESS IN ESTABLISHING PRODUCTION ASSOCIATIONS. FOR EXAMPLE, AS RECENTLY AS MAY 5 SOVIET PRESS (ARTICLE IN TRUD) WAS STATING THAT AT END OF 1974 AROUND SIX THOUSAND ASSOCIATIONS HAD BEEN ESTABLISHED, REPRESENTING 12 PERCENT OF ALL SOVIET ENTERPRISES. NOW PRAVDA ALLEGES THAT BY END OF 1975 AROUND ONE FOURTH OF ALL SOVIET FACTORIES WILL BE UNITED INTO ASSOCIATIONS. THUS, SOVIETS HOPING FOR RAPID MOVE FORWARD IN THIS WORK DURING REMAINDER OF CURRENT YEAR (I.E. DOUBLING NUMBER OF ENTERPRISES SO JOINED TOGETHER). STATISTIC ON REDUCTION TO DATE OF MANAGERIAL PERSONNEL (BY 24 THOUSAND) IN OIL, GAS, AND COAL INDUSTRIES TOGETHER THROUGH CREATION OF ASSOCIATIONS APPEARS TO POINT TO PROBLEMS IN THIS WORK, SINCE AS LONG AGO AS MAY 1974 (SEE REF A) SOVIETS WERE STATING THAT 21 THOUSAND POSITIONS IN COAL INDUSTRY ALONE HAD ALREADY BEEN ABOLISHED. THIS SUGGESTS THAT EARLIER STRONG RESISTANCE TO ABOLITION OF THEIR SINECURES BY MIDDLE-MANAGEMENT PERSONNEL HAS NOT ABATED AT ALL; IN FACT, PRAVDA ARTICLE MENTIONS CONTINUING DIFFICULTIES IN PROPERLY PLACING IN NEW JOBS LIMITED OFFICIAL USE
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THOSE OFFICIALS WHO WERE RIFED--SO TO SPEAK--DURING CURRENT MANAGEMENT REFORM DRIVE.
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